UNDP

UNITED NATIONS DEVELOPMENT PROGRAMME

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DP/PROJECTS/7257

ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
DJIBOUTI

IPF:(1987-92) $4 250 000

(DJI/92/501)-Management Development Programme

Date of approval by the AC:[1/]	25 March 1992
Expected duration:	24 months
Proposed executing agency:	UNDP/OPS
Government implementing agency:	Prime Minister's Office
Proposed UNDP contribution:	$ 500 300 Source of funds: MDP
Total UNDP budget:	$ 500 300

Project background

Djibouti is primarily a service economy and its development is heavily oriented towards establishing the country as a commercial and financial center. Considering the relatively well developed infrastructure, mainly the most modern port and banking system in the region as well as the substantial telecommunications system, the geographical position of the country which is at the crossroads for exchanges for many parts of the world, and the full convertibility and free circulation of its national currency, the development of the private sector has demonstrated a rather limited expansion.

The Government of Djibouti has therefore given a high priority to the development and promotion of the private sector. This is reflected in its Economic and Social Orientation Law for 1990-2000, some of the main objectives of the law being industrialization, human resources development and private sector promotion. In light of these issues the Government has requested UNDP assistance under the present approval.

Description of project

The main objective of the project is to promote private sector development in Djibouti as the backbone of economic growth.

The immediate objectives of the project are to: (a) conduct priority actions in order to establish a favorable administrative and regulatory environment for the promotion of private sector development; (b) create an internal structure which will assist in the preparation of policies and co-ordination of actions as they relate to private sector; and

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1/ This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

(c) in a second phase create a comprehensive date system on the private sector and its policy to promote Djibouti as an attractive place for foreign investors.

Inputs

UNDP will provide the services of a chief technical advisor (four man-months), a consultant in programming (one man-month), three national consultants (five man-months); administrative support; a subcontract for a labor law expert (three man-months), a tax law expert and an investment code expert (three man-months); training for Government civil servants in-country to enable them to play a role in the implementation of reforms related to private sector promotion; equipment; and miscellaneous costs.

Financial data

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Personnel	90 700
Subcontract	245 600
Training	90 000
Equipment	45 000
Miscellaneous	29 000
Total	500 300

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